

Section 3 Human Resources Policies	August 29, 2003 -Originated
Subject 3.9 Leave Administration	-Reviewed w changes
	-Reviewed w/o changes
Policy 3.1.8 Service on Outside Boards	Office of the President -Author

Service on Outside Boards

Audience

The information in this document is for use by all UTMB employees.

Policy

It is recognized that employees, administrators, faculty and staff of UTMB, may be asked to serve on the boards, councils or other governing or advisory bodies (“outside boards”) of various business, civic, professional, social and religious organizations, both for profit and not-for-profit, and in compensated and non-compensated positions. Such service is generally deemed to be in the best interest of the System and UTMB because it broadens the experience of the individuals involved and exposes the System and UTMB to a larger audience of business, civic, professional, social and religious leaders.

In evaluating whether to accept a position on an outside board, an individual should first assure that such a position would not create a conflict of interest and that fulfillment of the responsibilities of such a position would not impose an unreasonable time requirement ([See UTMB Standards of Conduct](#)).

Exception

The provisions of this policy do not apply to service on the board of a municipality, local religious congregation; neighborhood association; local, private or parochial school; youth sports or recreation league; affinity group such as the local orchid society or model train collectors club; and other similar outside boards the service on which is primarily personal rather than professional in nature, and does not require the expenditure of time away from University responsibilities.

Approval

Prior to accepting any new position on an outside board, whether for profit or not-for-profit and whether compensated or non-compensated,

- The President shall first advise the Vice Chancellor and General Counsel to evaluate any potential conflict of interest and then obtain the approval of the Executive Vice Chancellor for Health Affairs, which approval shall not be unreasonably withheld.
- All other faculty and staff shall seek approval for outside board service from each individual employee’s direct supervisor.

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Offices of the State of Texas or the United States

Before a non-elective state officer may hold another non-elective office under the State of Texas or the United States, such non-elective state officer must obtain a finding by the Board of Regents that such additional office is of benefit to the State of Texas or is required by state or federal law, and that there is no conflict with that non-elective state officer’s original office.¹ See Part One, Chapter III, Sections 13.8 and 13.9 of the Regents’ Rules and Regulations.

External Nonprofit Corporations and External Entities

This policy is also subject to Part One, Chapter VII, Section 10 of the Regents’ Rules and Regulations relating to service on the board of an external nonprofit corporation or an external entity that has as its primary objective the provision of funds or services for the furtherance of the purposes and duties of the System or UTMB.

Risks of Liabilities

UTMB Administrators below the rank of President as well as Faculty and Staff should be aware of the potential risk of liability associated with outside board service, whether on the boards of for profit or not-for-profit entities and whether or not compensated, and should evaluate those risks and the need for appropriate insurance and indemnification. Such persons should also be aware that statutory limitations on liability of state officials and employees may not apply and that indemnification by the System and insurance coverage provided by the System may not apply or may be severely limited.

Uncompensated Board Service

Recognizing the benefit to be derived by the System and UTMB from outside board service, and after thorough consideration of the time commitment that might be involved, time spent on uncompensated service on non-religious boards, other than for reimbursement of usual and customary expenses, shall be deemed to be service to UTMB and need not require the use of a person’s own time.

Compensated Board Service and Service to a Religious Organization

Service on any outside board, whether for profit or not-for-profit, for which the employee is compensated, and any service to a religious organization whether or not compensated, must be on such person’s own time, and if such service occurs during normal office hours, then such person must use vacation time, compensatory time or other leave while providing such service. Any such service should be without cost to UTMB.

¹ Tx. Const. Art. XVI §40; Tex. Gov’t Code Ann. § 574.001, et seq. (Vernon 2002).

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Required Reporting

In addition to any report required by the Texas Ethics Commission, any System any UTMB Administrators below the rank of President as well as Faculty and Staff of a component institution who serves on any outside board, shall file a report with the Vice Chancellor for Administration within sixty (60) days of the adoption of this policy and thereafter annually in September of each year. Such report shall list each outside board on which any such person serves, and with respect to each such board, shall include the following information:

- The number of hours normally required by such service, either monthly, quarterly or annually;
- Whether such service is compensated or not compensated; and
- Whether such service is protected by one or more policies of directors and officers liability insurance, and whether any such insurance coverage provides for general indemnification or only costs of defense.

If, during any year, a person covered by the Section joins one or more additional outside boards, the report provided for herein shall be supplemented within thirty (30) days of joining such additional board or boards. In addition, such report shall include the time requirements associated with any teaching commitments of any non-faculty person filing the report.

Extension of Professional Position

It is anticipated that UTMB Administrators below the rank of President as well as Faculty and Staff will be asked to serve on particular outside boards because of their University related areas of expertise or the offices or positions they hold. Such service is of particular value to the System and UTMB and is actively encouraged because of the recognition it provides to the System and UTMB, and the additional information, exposure, understanding and insight the individual will receive. Such service is deemed to be service to the System or to a component institution and need not require the use of a person's own time and it is excluded from all portions of this policy other than the conflict of interest provisions and reporting requirements.

UTMB HANDBOOK OF OPERATING PROCEDURES

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**Family-Owned
Businesses**

The provisions of this policy do not apply to service on the board of a family-owned business in instances in which such service is incidental and does not require the expenditure of time away from University responsibilities.

Reference

Regents' Rules and Regulations, Part One, Chapter III, Section 13(10)
